

R2

USAID/CENTRAL ASIA REGION - UZBEKISTAN

Results Review and
Resource Request (R4)

4 APRIL 2000

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Glossary

Glossary of Acronyms

ABA/CEEI - American Bar Association/ Central and East European Law Initiative
ACLC - Asian Crossroads Loan Company
AIHA - American International Health Alliance
CAAEF - Central Asian-American Enterprise Fund
CBU - Central Bank of Uzbekistan
CDC - Centers for Disease Prevention & Control
CMS - Commercial Market Strategies
DHS - Demographic and Health Survey
DOTS - Directly Observed Treatment, Short Course
EBRD - European Bank for Reconstruction & Development
EU - European Union
SEATS - Family Planning Services and Expansion and Technical Support
FSN - Foreign Service National
FY- Fiscal Year
GDP - Gross Domestic Product
GOU - Government of Uzbekistan
GTZ - German Agency for Technical Cooperation
HOPE - Health Opportunity for People Everywhere
IAS - International Accounting Standards
IBTCI - International Business & Technical Consultants Inc.
IESC - International Executive Service Corps
IFES - International Foundation for Electoral Systems
IMF - International Monetary Fund
ISAR - Initiative for Social Action and Renewal in Eurasia
IFC - International Finance Corporation
IR - Intermediate Result
KPMG - Klinveld Peat Marwik Georgeler
LLR - Low Level Result
MOH - Ministry of Health
MSF - Medicine Sans Frontiers
NGO - Non-governmental organization
NIS - New Independent States
OSCE - Organization for Security and Cooperation in Europe
ODIHR - OSCE/Office for Democratic Institutions and Human Rights
PCP - Primarily Care Practice
R4 - Results, Review and Resource Request
SVP - Rural Physician Post
SME - Small and Medium-sized Enterprise
S.O. - Strategic Objective
T&I - Trade & Investment

UDHS - Uzbekistan Demographic and Health Survey
UN - United Nations
UNDP - United Nations Development Programme
UNHCR - United Nations High Commissioner for Refugees
UNICEF - United Nations Children Fund
USAID - United States Agencies for International Development
USAID/CAR - USAID/Central Asian Region
USAID/ENI - USAID/Europe and New Independent States
USIA - United States Information Agency
WHO - World Health Organization
WTO - World Trade Organization

R4 Part I: Overview/Factors Affecting Program Performance

Uzbekistan

R4 Part I: Overview and Factors Affecting Program Performance

Introduction

U.S. national interests in Uzbekistan reflect a combination of commercial and strategic concerns. As the largest country and market in Central Asia, Uzbekistan offers trade and investment opportunities through a diverse economic base that includes agricultural, industrial and energy resources. Its oil and gas reserves also provide opportunities for U.S. investors. A prosperous Uzbekistan would be central to the commercial expansion of the region. Uzbekistan aspires to regional leadership, and is increasingly seen as a key player in maintaining stability in Central Asia. It has played a mediating role in the crises in Afghanistan and is a guarantor in the Tajik peace plan. Uzbekistan clearly contributes to the U.S. national security interest in ensuring that the region remains stable.

The Development Challenge

The reluctance of the Government of Uzbekistan (GOU) to introduce market-oriented reforms in the financial sector has constrained economic recovery. After a movement in the mid-1990s toward free market reforms through pricing and trade liberalization measures and tightened short-term fiscal and monetary management policies, the GOU retreated in the late 1990s by restricting convertibility and access to foreign currency. This resulted in suspension of its International Monetary Fund (IMF) Standby Arrangement. The lack of convertibility, minimal progress toward privatization, and a near halt in other economic or fiscal reform are having a serious debilitating effect on the Uzbekistan economy, as well as a chilling effect on the international donor community. This led to a termination of USAID's Fiscal Reform Project in early 2000. Recent IMF consultations revealed deepening financial imbalances. The investment climate continues to suffer from onerous bureaucratic obstacles in registration, licensing, and inspection areas, which increase the cost and unpredictability of private business operations. USAID work in the energy and environment sector is covered in detail in the USAID/CAR Regional Presentation.

Citizens are poorly informed and their participation in economic and political life is restricted at some levels. Political opposition to the regime is not tolerated. USAID halted election-related assistance in anticipation that the 1999 parliamentary elections would not meet international standards. The media is increasingly constrained. Several TV stations were closed and broadcasting of a USAID sponsored biweekly TV news exchange was temporarily disrupted. Despite the restrictive environment, USAID was able to help the government pass a new NGO law and improve sections of the criminal and commercial codes. The NGO community, particularly those organizations addressing pressing social needs, is flourishing.

Currently, government social services critical to maintaining a social safety net are not financially sustainable. The GOU is committed to providing good health services. This is an area in which USAID technical assistance could be effective. The World Bank (IBRD) negotiated a \$30 million loan to reform the primary health system in three pilot oblasts. USAID is developing the pilot model for these reforms. The USAID model focuses on new management and payment systems for improved health service delivery and financing. The initial results have been impressive, with thirteen primary health care sites already established. Community groups have been organized to improve awareness and participation in health services. Responding to a resurgence of tuberculosis (TB), USAID continues to introduce the new, more effective World Health Organization (WHO) protocols for TB treatment. USAID programs have significantly improved health for Uzbeks. They have contributed to the eradication of polio, a 50% reduction in abortions, and the training of more than 1,000 health care providers in family planning. A five-year health partnership concentrates on emergency care, the government's second priority in health care.

Partnerships, training and exchanges remained an important component of USAID assistance. USAID has trained over 1,520 government leaders and professionals, of whom thirty-one percent were women, in areas directly related to democracy and a free-market economy. USAID's successful third country training allows participants to observe first-hand positive reform in other Central Asian Republics.

Other Donors

USAID works closely and coordinates with other donors. The IMF continues to monitor the macroeconomic policies of the GOU, even though the Standby Arrangement lapsed in 1996. The IBRD is working on privatization and health, and plans to launch a financial sector reform project. The European Union (EU) has the largest country program, after the IBRD. It focuses on technical assistance in agriculture, private business development, and energy, and includes support for accounting reform. The United Nations (UN), the Adenauer Foundation, and the Organization for Security and Cooperation in Europe (OSCE) fund training to improve civil society. The European Bank for Reconstruction and Development (EBRD) has made loans for textile plants, energy, and small enterprise development.

FY 2001 Program

USAID's assistance will continue to focus on those areas where it can be most effective, such as health and local community development. Other important priorities are targeted activities in education and training, micro-credit, civil society, and water management. USAID will assist those oblasts where host country counterparts have shared priorities and potential as development partners. Within the economic area, the emphasis will be on business education and the empowerment of women.

Within health, the focus will be on quality of care, informed citizenry, allocation of health care resources, and the legislative and policy framework. USAID will seek to reach critical populations by working at the rural primary health care level. In coordination with the IBRD health loan, USAID will continue to provide technical assistance to expand USAID's successful cost-effective model. In the area of infectious diseases, USAID will continue to introduce cost-effective ways to

treat TB and strengthen the ability of NGOs, including traditional groups such as community councils, to deliver social services.

Involving Uzbekistan citizens in public affairs through an active, effective NGO community represents the most viable means of promoting a more participatory political process closely complemented by a strong, independent media. USAID is increasing support for civic education, women's legal rights, NGO activity, rule of law, and grassroots community issues. It is also working with the more mature NGOs on policy advocacy skills, coalition building, and community development. USAID assistance to commercial non-state media outlets will help address equipment, finance, and management deficiencies and subsequently improve the quality of information.

U.S. National Interests and Goals

USAID/CAR directly supports U.S. foreign policy in Uzbekistan. In his March 1999 testimony before a subcommittee of the House International Relations Committee, Ambassador Stephen Sestanovich reaffirmed U.S. interest in Central Asia and said that "Today, our overarching goal in American policy in Central Asia remains securing the sovereignty, independence and territorial integrity of the states of the region. To advance this objective, our diplomacy focuses on four key issues: formation of democratic political institutions, market economic reform, cooperation among these countries and with us, and responsible security policies."

This is echoed in the Embassy's Mission Performance Plan's strategic goals: the development of a civil society, an efficient and effective health care system, sustainable environmental management, accession to the World Trade Organization, and increased regional stability.

USAID assistance centers on developing a participatory civil society, improving the sustainability of health care services and benefits, and improving the banking and fiscal systems. USAID/CAR continues some selected assistance in three targets of opportunity: accession to the World Trade Organization (WTO), banking and fiscal reform, and accounting conversion. USAID/CAR emphasizes regional cooperation on the potentially destabilizing transboundary issues of water accessibility, energy distribution and environmental preservation.

Uzbekistan is located at the strategically sensitive center of Central Asia and is the most populous state in the region, with 23 million people. It is the world's fourth largest cotton producer, has a significant natural resource base of gold and uranium, and is the only nation in the region with ferrous-based manufacture. The breadth, variety and size of Uzbekistan's economic base provide considerable opportunity for foreign investment. Its population density and ethnic mix in the Ferghana Valley are of considerable consequence to regional stability. All public, political and religious life remains state controlled.

Summary Progress in Implementing the Strategic Plan

USAID/CAR promotes citizens' participation in the democratic political processes through support to NGOs. USAID/CAR has encouraged the government to recognize the valuable role of NGOs in a democracy. The government has shown some tolerance toward the development of civil society, including the unanimous approval of the first reading of USAID-supported NGO legislation. In the past year USAID has assisted NGOs to be more involved in collaborative

work at the local government level. NGOs markedly improved the effectiveness of their advocacy with government.

While independence of the media has grown moderately, self-censorship continues to undermine its effectiveness. Government continues to play a cooptive role in restricting the independent press and therefore contributing to self-censorship in the country. The monopoly of the government in areas of mass media and lack of convertibility prohibit the independent media from buying state-of-the-art equipment. Government television stations set artificially low advertising rates, which further undermines non-government television. On the other hand, the quality of investigative reporting has remarkably improved on nonpartisan issues, including reports on the daily women's labor market and the recent bombings in Tashkent. There is little hope that next year's elections will be open and competitive.

The government has also embarked upon a form of national health care reform. A presidential decree, based on a USAID-supported pilot for community health services, was passed last year and will be implemented broadly in the densely populated Ferghana Valley. This timely support by USAID expedited a recent World Bank loan for broader implementation.

There has been far less progress on key macro-economic and financial reforms. Last year, USAID/CAR was the principal donor involved in fiscal policy and management, commercial law reform and NGO development. Various laws were passed to protect investors and consumers. Assistance to the Central Bank has caused it to implement improved reporting requirements for all commercial banks. With technical assistance from USAID/CAR, the government submitted a Foreign Trade Memorandum, initiating accession to the WTO in Geneva. The Central Asian-American Enterprise Fund (CAAEF) had great difficulty working because of the lack of currency conversion. CAAEF is considering ceasing activities in Uzbekistan. Overall, most economic and financial reform remains stalled and most USAID specialized advice is unheeded.

Country Factors

Uzbekistan's authoritarian regime appears to be under threat from within. Some senior politicians, business interests and security forces were alienated in the past year. President Karimov dismissed a number of high-ranking officials, including the First Deputy Prime Minister, several other Ministers and some regional governors under charges of corruption. Changes in key cabinet positions slowed momentum for legislative initiatives. The USAID-supported draft of the Budget Reform Law was again delayed as a new Finance Minister and team reviewed it. Parliamentary elections are proposed for December 1999 and presidential elections in 2000, but are highly unlikely to be open and competitive. The government has called for free media, independent NGOs and constructive opposition but has done little to support it.

Despite an economic crisis and the failure of its regional foreign policy, the government has shown little enthusiasm for economic or financial reforms. Weak prices for the key exports of cotton and gold almost doubled the trade deficit from 1997 to 1998.

Key Mission Management Actions

In response to the lack of any significant progress in privatization, economic reform or election reform, USAID/CAR, with the Ambassador's encouragement, has shifted its priorities to developing a participatory civil society, improving the sustainability of health care services and benefits, and improving the banking environment. USAID/CAR will continue assistance in preparing Uzbekistan for World Trade Organization accession and in reforming accounting law.

Prospects for Progress through 2001

USAID/CAR is carefully targeting assistance in those areas which offer potential for results, and is reducing support aimed at hoped-for macro-economic reforms. Assistance for taxation and budget reform will be phased out if there is no government progress in the next six months. Moderately successful banking supervision and accounting reform will be expanded. There will be no further assistance for sham elections or political party development. Meanwhile, USAID will focus on promoting small enterprise development in the economically-promising Ferghana Valley. Support for promising NGOs will be further concentrated in the Ferghana Valley, with emphases on health, civil society development and women's rights. There will be increased assistance for developing cost-efficient primary health care and infectious disease control.

R4 Part II Results Review by SO

Text for SO a

Country/Organization: Uzbekistan, USAID/CAR

Objective ID: 122-012-01

Objective Name: Increased soundness of fiscal policies and fiscal management

Self Assessment: Not Meeting Expectations

Self Assessment Narrative: Even though the primary indicator, the general deficit as a percentage of GDP, surpassed its target, the official data cannot be verified, and consequently little confidence can be placed in this SO result. The GOU was totally out of compliance with conditionalities of international financial institutions. The new budget classification system has not been fully adopted. The Budget and Treasury Laws have been drafted, but not presented to Parliament. This SO has been terminated in March 2000.

Primary Link to Strategic Agency Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|--|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Ag Development/Food Security |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Global Growth and Stability

Summary of the SO:

The purpose of this objective is to make tax policies and budget procedures consistent with the needs of a market economy. Sound fiscal policies and management contribute to both short and long-term economic stability and economic growth. Poor results, especially in the budget area, led to USAID's decision to phase-out this strategic objective in 1999.

The overall prospects for sustained fiscal policy management are not promising. Numerous structural reforms have not taken place in Uzbekistan. Moreover, the government manages nearly every aspect of economic activity. The critical privatization and fiscal reforms that have been implemented elsewhere in the NIS have been avoided in Uzbekistan. An excessive portion of the economy is state-controlled, and the monetary and fiscal policies continue much as they did during the Soviet system. The current multiple exchange rate regime and mandatory foreign exchange conversions significantly reduce the potential for future foreign direct investment. Thus, while some economic stability can be observed in the short term, this will prove increasingly problematic the longer that reforms are delayed.

The direct beneficiaries of this objective would be the national and local government agencies that need tax revenues and sound budget policies, government employees and, finally, all those with whom the government is in arrears. All citizens would be the ultimate beneficiaries of a stable and growing economy.

Three critical intermediate results are necessary: 1) the government complies with the international financial institutions' conditions; 2) taxes are more fairly and broadly applied and enforced; and 3) improved budget management. These are critical because such fundamental change is necessary for sound fiscal policy.

Key Results:

Overall progress in achieving this strategic objective in 1999 did not meet expectations. This is true even though the primary performance indicator appears to have exceeded its target by a significant amount. This indicator, the general deficit as a percentage of GDP, was 1.2% according to official estimates, compared to a target of 3.0%. However, no confidence can be placed in the official deficit estimates. It is well known in the donor community that these numbers do not reflect economic reality. Moreover, the government does not provide sufficiently accurate information to estimate these numbers. Further, The GOU did not adhere to conditions set forth by the international financial institutions, the new budget classification system has not been fully adopted, and the Budget and Treasury Laws have been drafted but have not been presented to the Parliament. The overall assessment of this work thus relies heavily on the performance of the intermediate level indicators discussed below.

Performance and Prospects:

In the area of budget reform, no significant progress was made in 1999. Although a new Budget Systems Law was drafted with USAID assistance in 1997, the government failed to even submit the draft to parliament by 1999, despite repeated promises to do so since 1997. The same intransigence occurred with another key budget reform law, the Treasury Law.

No effort was made in 1999 to comply with conditions of international financial institutions. The government took no serious steps to reach an agreement with the IMF on a comprehensive economic restructuring during 1999. In fact, the government's exchange rate policies actually moved farther out of compliance with IMF conditions. More currency convertibility conditions were imposed causing a widening of the gap between the official exchange rate and the black market rate.

While the new tax code adopted in 1997 represents a substantial improvement over prior legislation, the tax law contains significant flaws. USAID has not been able to affect those flaws. There was no indication from the government that it even desired continued assistance in the tax policy area in 1999. USAID has ceased providing assistance in this area.

Although the government has made substantial progress in implementing an efficient tax administration system with USAID support, this result has been comparatively easy to obtain in Uzbekistan because of the continued state domination of the economy. It is far easier for the tax authorities to collect revenues from state enterprises, as it did historically in the Soviet Union, than it is to collect them from private companies. In addition, the government uses the banking system to enforce tax compliance. Apparent progress in this area is misleading since the underlying economy is not a market economy. Nevertheless, USAID has completed computerization of the State Tax Committee. Assistance in this strategic objective was terminated in March 2000.

Possible Adjustments to Plans:

This strategic objective has been terminated.

Other Donor Programs:

GTZ has one part-time advisor, who is training private tax consultants. The IMF had a Treasury Advisor, but terminated his assignment in mid-1998 when the government failed to move forward with the Treasury Law.

Major Contractors and Grantees:

KPMG/Barents Group worked on issues of fiscal reform, which included budget, tax policy, and tax administration.

Performance Data Table

Objective Name: Increased Soundness of Fiscal Policies and Fiscal Management Practices			
Objective ID: 122-012-01			
Approved: 12/07/96		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: SO 1.2 Increased soundness of fiscal policies and fiscal management practices			
Indicator: General government deficit as a percent of GDP			
Unit of Measure: Percent	Year	Planned	Actual
Source: USAID Fiscal Reform Project, Uzbekistan	1995 (B)		3.5%
	1996	3.3%	3.6%
Indicator/Description: Expenditures less revenues as a percent of GDP	1997	3.2%	3.0%
	1998	3.1%	2.3%
	1999	3.0%	1.2%
Comments: The GOU surpassed its target. However, the official data cannot be verified, and consequently little confidence can be placed in this SO result.	2000	2.8%	
	2001	2.6%	

Performance Data Table

Objective Name: Increased Soundness of Fiscal Policies and Fiscal Management Practices			
Objective ID: 122-012-01			
Approved: 12/07/96		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 1.2.2 Government of Uzbekistan Complied with the International Financial Institutions Conditions			
Indicator: Compliance			
Unit of Measure: Yes /No /Partial	Year	Planned	Actual
Source: USAID Fiscal Reform Project, Uzbekistan	1995 (B)		N
	1996	Y	N
Indicator/Description: GOU Adheres to conditions set forth by the IFIs for additional assistance	1997	Y	N
	1998	Y	N
	1999	Y	N
Comments: The GOU was totally out of compliance with IFI conditionality in 1999.	2000	Y	
	2001	Y	

Performance Data Table

Objective Name: Increased Soundness of Fiscal Policies and Fiscal Management Practices			
Objective ID: 122-012-01			
Approved: 12/07/96		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 1.2.4.1 Expenditure allocation process rationalized			
Indicator: 1. New budget classification system is in place 2. Budget law passed 3. Treasury Law passed			
Unit of Measure: Y/N/P	Year	Planned	Actual
Source: USAID Fiscal Reform Project, Uzbekistan	1995		NNN
	1996	YYY	PNN
Indicator/Description: Unit: Yes - No - Partial	1997	YYY	PPP
	1998	YYY	PNN
	1999	YYY	PNN
Comments: The new budget classification system has not been fully adopted. The Budget and Treasury Laws have been drafted, but have not been presented to Parliament.	2000	YYY	
	2001	YYY	

Text for SO b

Country/Organization: Uzbekistan/USAID/CAR

Objective ID: 122-013-01

Objective Name: Accelerated growth and development of private enterprises

Self Assessment: Not Meeting Expectations

Self Assessment Narrative: Although USAID exceeded its target of legislative acts on which it assisted, the government to date has failed to implement radical structural reforms. In addition, since mid-1997, CAAEF ceased all SME lending in Uzbekistan due to the lack of currency convertibility. Only recently, CAAEF has reached an agreement with the government on convertibility of limited principal and interest reflows from the loan portfolio.

Primary Link to Strategic Agency Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Strategic Agency Framework: No secondary linkage

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Regional Stability

Summary of the SO:

Private enterprise is dying in Uzbekistan. Much work is necessary to help resuscitate it. A stable, robust market economy is critical to the development of democracy and civil society in the Central Asia region. Furthermore, the country's integration into the regional and global economies could provide trade and investment that would benefit all. Unfortunately, this growth has been minimal in the past few years. It has been impeded by both a slow rate of privatization and by flawed governmental policies, such as a non-convertible currency and non-tariff trade restrictions that give the state wide-ranging control over international trade. As a consequence, the conditions for private sector development in Uzbekistan are extremely bleak.

Continued depreciation in the black-market exchange rate contributed to the decline of the som. The government's highly disruptive multiple exchange rate regime was institutionalized at the beginning of 1997. It is used to support the activities and investments of the government's priority sectors. This problem serves to exacerbate the near stranglehold that the government

maintains over the economy. The widely used, although illegal, black-market exchange rates are consistently much higher than the official rate.

Despite negative economic factors, there are a few partial successes. Legislation to encourage foreign direct investment was adopted, and went into effect in May 1998, and the Cabinet of Ministers proposed a strategy to reduce bureaucratic procedures that small- and medium-sized enterprises (SMEs) face in the creation, registration, and operation of their business activities. Regardless, foreign investors continue to face formidable bureaucratic hurdles in contract registration, business registration and licensing, and customs delays. The new SME legislation has done little to assuage a sector besieged by dysfunctional macroeconomic policies.

Three key results are necessary to achieve this objective: 1) an improved operating environment for private sector growth; 2) improved human resources for the functioning of a market economy; and 3) increased availability and accessibility of capital and technological resources for the private sector. USAID has exceeded its accounting training and enterprise conversion targets.

Key Results:

During FY 1999, the legal environment for the private sector growth was improved with the passage of a number of key regulations and laws. For example, the Law on Investment Activity, the Law on Entrepreneurship, the Law on Leasing, the Law on Competition and Restriction of Monopolistic Activity, the Law on Small and Private Business, the Law on Advertising, the Regulation on Registration of Legal Entities as Participants in Foreign Economic Relations, the Regulation on the National Program for Creation of a Competitive Environment, and various Customs regulations, have been passed with USAID drafting assistance.

In FY 1999, the number of people trained to function in a market economy exceeded the established target of 600 people, as over 2,650 people have been trained through seminars, roundtables, or one-on-one encounters through the USAID Trade and Investment project, Winrock's Farmer-to-Farmer program, MASHAV, Eurasia Foundation and IESC.

In FY 1999, the target for the volume of loan and joint venture funds invested in Uzbekistan was not met. This is due to the fact that CAAEF has done no new SME lending since April 1997 and no equity investments since 1998. This is directly attributed to the lack of currency convertibility. However, it is only recently that CAAEF has concluded an agreement on convertibility of their loan portfolio principal and interest reflows. It is expected that limited new SME lending will resume in the 3rd/4th quarter of FY 2000.

Performance and Prospects:

Restrictive trade practices introduced in 1997 remain in place, including registration and prepayment requirements for imports and high average import tariffs. The state trading monopoly for the export of cotton and gold, which generated over 40% of the country's foreign exchange earnings in 1998, also remains in place. Following the Russian crisis, Uzbekistan imposed high import duties on selected items from Kyrgyzstan and Kazakhstan (the latter partly in retaliation against Kazakhstani measures), and introduced barriers to shuttle trade, such as a

\$300 duty for vehicles entering Uzbek territory from these two countries (except those in transit). Against this background, WTO accession remains a distant prospect.

The government has recently committed, officially, to build a vibrant SME sector. Financing initiatives supporting the development of private-sector SMEs are being prepared by the EBRD and ADB. Additionally, in early 1999, the German Bank for Reconstruction, KfW, extended a \$15.3 million credit line to the Central Bank of Uzbekistan to support SMEs. The most serious impediments to the emergence of a new private sector still remain in place in the form of limited access to foreign exchange, discretionary government intervention, and an unreliable judicial system.

USAID assistance was instrumental in drafting decrees that were issued to protect SMEs by limiting the inspection authority of government officials. USAID assistance was also instrumental in establishing a “one stop” business registration process. Progress toward WTO accession has been slow.

By December 1998, the GOU had replaced its Soviet style accounting standards with international accounting standards. However, the GOU has yet to adopt the concomitant Chart of Accounts. USAID has been training enterprise accountants and government employee in the new accounting standards and is converting enterprises to international accounting standards.

Possible Adjustments to Plans:

Given the inability to affect significant reform at the macroeconomic level, USAID activities will focus more at the local level in 2000. If funding and institutional constraints in Uzbekistan permit, USAID will provide business training starting in the fall of 2000. The Trade and Investment activity will phase out by summer 2000. The Accounting Reform activity will now concentrate on training and will phase out in the fall of 2000.

Other Donor Programs:

USAID plays a major role in improving the business climate and promoting private sector growth in Uzbekistan. USAID is the lead donor organization promoting the liberalization of Uzbekistan's trade and investment environment. Through the use of IESC's and Winrock's business executive volunteers and Eurasia Foundation grants to support business associations and advocacy groups, USAID complements UNDP, IBRD, EBRD, OCEF, GTZ, and EU-Tacis private sector programs. The EU-Tacis has worked with USAID in the early stages of accounting reform.

Major Contractors and Grantees:

USAID uses U.S. commercial contractors (Booz Allen & Hamilton and Carana Corporation) as well as IESC and Eurasia Foundation. CAAEF provides credit to the nascent private sector. The Academy for Educational Development (AED) coordinates participant training.

Performance Data Table

Objective Name: Accelerated development and growth of private enterprises.			
Objective ID: 122-013-01			
Approved: 1996-07-12		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: 1.3 Accelerated development and growth of private enterprises			
Indicator: Increase in private sector GDP market share			
Unit of Measure: Percent	Year	Planned	Actual
Source: 1999 EBRD Report	1995	0	30
Indicator/Description: Share of GDP generated by private enterprises	1996	0	40
	1997	0	45
	1998	45	45
	1999	50	n/a
Comments: A datum for 1999 will be available from EBRD in summer 2000.	2000	60	
	2001	65	
	* This is the last R4 that we will use this indicator.		

Performance Data Table

Objective Name: Accelerated development and growth of private enterprises.			
Objective ID: 120-013-01			
Approved: 1996-07-12		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: 1.3.1.1 Improved policies, laws, and regulations in place to ensure competition and allow for easy market entry and exit			
Indicator: Critical policies, laws, and regulations that are consistent with international standards are published			
Unit of Measure:	Year	Planned	Actual
Number of policies, laws, and regulations	1996		6
	1997	4	4
Source: Trade and Investment Project/Booz-Allen & Hamilton	1998	6	9
	1999	7	19
	2000	10	
	2001	14	
Indicator/Description: Cumulative number of policies, laws, and regulations published with drafting and implementation assistance provided by USAID			
Comments: Through the USAID Trade and Investment activity, USAID easily exceeded its target of legislative acts on which it assisted. Primary among these include the Law on Entrepreneurship, the Law on Investment Activity, the Law on SME Development, and the Customs Code.			
* This is the last R4 that we will use this indicator.			

Performance Data Table

Objective Name: Accelerated development and growth of private enterprises.			
Objective ID: 122-013-01			
Approved: 1996-07-12		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: 1.3.2 Human resources improved to function in a market economy			
Indicator: Number of people trained (excluding 1.3.1.3)			
Unit of Measure: Number	Year	Planned	Actual
Source: Implementing partners (BAH, IESC, Winrock, Mashav, and CPSP)	1996	0	162
	1997	200	179
Indicator/Description: Number of people trained through seminars, roundtables or one-on-one encounters	1998	300	497
	1999	600	3,109
	2000	650	
Comments: USAID easily exceeded the target in fiscal year 1999.	2001	700	
* This is the last R4 that we will use this indicator.			

Performance Data Table

Objective Name: Accelerated development and growth of private enterprises.			
Objective ID: 122-013-01			
Approved: 1996-07-12		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: 1.3.3 Increased availability of and access to capital and technological resources for the private sector			
Indicator: Loan and joint venture funds invested			
Unit of Measure: Millions of dollars	Year	Planned	Actual
Source: CAAEF semi-annual reports			
Indicator/Description: Dollar volume of joint venture funds invested	1996		12.9
	1997	15	25.8
	1998	17	18.0
	1999	20	16.0
	2000	25	
Comments: Since mid-1997, CAAEF ceased all SME lending in Uzbekistan due to the lack of currency convertibility. Only recently, CAAEF has reached an agreement with the government on convertibility of principal and interest reflows from the loan portfolio. As a result, limited new SME lending is expected to resume in the second/third quarter of FY 2000.	2001	30	
* This is the last R4 that we will use this indicator.			

Text for SO c

Country/Organization: Uzbekistan/USAID/CAR

Objective ID: 122-014-01

Objective Name: A more competitive and market-responsive private financial sector

Self Assessment: Not Meeting Expectations

Self Assessment Narrative: Even though our targets were met, progress toward this objective was slow due to distorted foreign exchange management policies, restrictive controls on local currency denominated accounts, and government ownership of an 80% share of banking assets.

Primary Link to Strategic Agency Framework: 1.1 Private Markets
(please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|---|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Agricultural Development/Food Security |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Education/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Education/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Global Growth and Stability

Summary of the SO:

The financial sector continues to be dominated by the state, not the private sector. The problems are exemplified by the government's failure to move forward with needed market reforms for the pension system and the securities market. The strategy USAID takes in Uzbekistan is similar to that taken in the rest of the region: facilitate development of financial markets by bringing stability to the banking sector; create alternate mechanisms for providing finance to the economy by developing a securities market; and reform the pension system.

Progress toward this objective was slow due to distorted foreign exchange management policies, restrictive controls on local currency denominated accounts, and government ownership of an 80% share of banking assets. The Privatization Ministry continued to play the key role in securities market regulation, a clear conflict of interest that directly undermined the integrity of the securities market regulatory framework. USAID therefore ceased its initial securities market development efforts in 1998. USAID also stopped its work in pension reform due to a lack of government commitment to pursuing meaningful reform.

USAID seeks to lay the groundwork for the sector to make the transition from state ownership to a stable, privately owned banking sector. For the banking sector to be viable, it is critically important that bankers be trained in market-oriented banking techniques, and that the central bank has a well-trained cadre of bank examiners to effectively monitor the commercial banks. Unlike banking reform elsewhere in the region, where USAID offered intensive assistance as early as 1994, significant USAID efforts in Uzbekistan began only in 1997. Consequently, the bankers in Uzbekistan, both central bankers and commercial bankers, still need training in Western bank accounting techniques and banking practices.

The direct beneficiaries of these activities are the professionals, such as private bankers, involved in financial market development. All Uzbek citizens stand to benefit indirectly from having more secure banks in which to deposit their savings.

Two results are necessary to achieve this objective: 1) government regulatory agencies supervise, administer and enforce legislation; and 2) more forms of financial intermediation are institutionalized to effectively supply the private sector on a competitive basis.

Key Results:

In 1999, two of three performance indicators were exceeded. The number of financial services available remained on target and bank deposits as percent of GDP grew from 10.2% in 1998 to 12.1% in 1999. However, this success was not driven by the increased willingness to use the banking system, but by the fact that all transactions between businesses are required by law to be conducted through the banking system. The percentage of banks meeting capital requirements was below target. This was due to two reasons. First, more stringent capital requirements became effective January 1, 1999. Second, targets were revised upwards because of strong performance in 1998.

Performance and Prospects:

In June 1999, the World Bank approved a \$25 million loan for financial sector reforms. The project, to be carried out jointly with the EBRD, aims to strengthen corporate governance in commercial banks, increase the openness of the sector to foreign entry, and strengthen the

supervisory functions of the central bank. A commission on banking sector reforms has been established and a timetable set for the gradual elimination of bank cross-shareholdings by state enterprises in state-owned banks, and the abolition of restrictions limiting the number of bank accounts for each legal entity to one. Following an October 1998 presidential decree to reduce state ownership to 50%, a 40% stake in the National Bank of Uzbekistan (by far the largest commercial bank) has been offered for sale. Another bank scheduled for partial privatization is Asaka Bank.

There has been notable progress in the USAID Bank Accounting and Reform activity. These include improvements in the licensing and pre-screening of applicants to purchase a bank, regulations and requirements, and improved bank supervision practices. Finally, and most importantly, enforcement powers have increased and some problem banks have been restructured. However, the lack of privatization of the banking sector has severely limited progress in this SO.

While international accounting standards have now been officially adopted by Uzbekistan's commercial banks, there remains a significant gap between theory and practice. A great deal of training is required to bring Uzbekistan's commercial bank accountants to a level that will permit them to use the international accounting standards.

Possible Adjustments to Plans:

In 2000 USAID will engage in close dialogue with the World Bank as it begins the implementation of its \$25 million Financial Sector Reform Loan. In particular, USAID is encouraging it to assume some or all of the technical assistance roles of the USAID advisors. USAID will discontinue the banking reform project this year.

Other Donor Programs:

USAID work in this area is closely coordinated with that of other donors. The EU has developed a bank training facility in Tashkent, an activity also supported by the EBRD and the Turkish Government. As noted, the World Bank has identified the financial sector as a key area and will provide increasing levels of technical assistance to both the central bank and commercial banks.

Major Contractors and Grantees:

USAID activities are implemented through IBTCI. Those advisors work closely with local counterparts at the central bank and private commercial banks. The Barents Group will take over implementation on March 1, 2000. The Academy for Educational Development (AED) coordinates participant training.

Performance Data Table

Objective Name: A More Competitive and Market Responsive Private Financial Sector			
Objective ID: 122-014-01			
Approved: 07/12/1996		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: SO 1.4 A more competitive and market responsive private financial sector			
Indicator: Bank deposits as percent of GDP			
Unit of Measure: Percent	Year	Planned	Actual
Source: The Central Bank of Uzbekistan	1995 (B)	NA	4.0%
Indicator/Description: Private sector deposits in Uzbekistan's banking system as percent of GDP	1996	NA	4.2%
	1997	4.5%	4.4%
	1998	4.7%	10.2%
	1999	6.0%	12.1%
	2000	10.0%	
Comments: The targets that were initially set were easily met and exceeded, so they were revised in 1998. Much of the success in 1999 can be explained by the fact that all transactions between businesses are required by law to be conducted through the banking system and not driven by the increased willingness to use the banking system.	2001	15.0%	
* This is the last R4 that we will use this indicator.			

Performance Data Table

Objective Name: A More Competitive and Market Responsive Private Financial Sector			
Objective ID: 122-014-01			
Approved: 07/12/1996		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 1.4.1.2. Regulatory framework and reporting systems are broadly applied effectively screen out deficient institutions.			
Indicator: Increasing percent of banks meeting capital adequacy requirements.			
Unit of Measure: Percent	Year	Planned	Actual
Source: National Bank of Uzbekistan	1995 (B)	NA	NA
Indicator/Description: Percentage of all licensed commercial banks that meet capital adequacy requirements	1996	60%	47%
	1997	70%	73%
	1998	75%	85%
Comments: The banking activity performed less than expected. These performance requirements were adjusted upwards in 1998 to account for stronger progress.	1999	90%	78%
	2000	80%	NA
	2001	90%	NA
* This is the last R4 that we will use this indicator.			

Performance Data Table

Objective Name: A More Competitive and Market Responsive Private Financial Sector			
Objective ID: 122-014-01			
Approved: 07/12/1996		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 1.4.2. More forms of financial intermediation are institutionalized and effectively supply the private sector on a competitive basis.			
Indicator: Increasing number of financial services available.			
Unit of Measure: Number	Year	Planned	Actual
Source: Central Bank, the Ministries	1996	NA	12
Indicator/Description: Number of distinct financial services available	1997	9	13
	1998	11	14
	1999	13	14
	2000	15	NA
Comments: In February 1998 the targets were raised to account for progress made.	2001	17	NA
	* This is the last R4 that we will use this indicator.		

Text for SO d

Country/Organization: Uzbekistan, USAID/CAR

Objective ID: 122-021-01

Objective Name: Increased, better-informed citizens' participation in political and economic decision-making

Self Assessment: Not Meeting Expectations

Self Assessment Narrative: There was significant progress on the civil society front and our indicators support this conclusion. New NGO legislation was enacted, the number of NGOs continues to grow, and many more NGOs are interacting with government, particularly at the local level where our new makhalla program is now making headway. However, increasing government repression (stemming from an attempted assassination of the president) and the tightly controlled, unfair parliamentary and presidential elections, in which USAID/CAR was not involved led us to score this objective low.

Primary Link to Strategic Agency Framework: 2.3 Politically Active Civil Society

Secondary Link to Strategic Agency Framework:

- | | |
|--|--|
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input checked="" type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input checked="" type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |

Link to U.S. National Interests: Democracy and Human Rights

Primary Link to MPP Goals: Democracy and Human Rights

Secondary Link to MPP Goals (optional): Global Growth and Stability

Summary of the SO:

Increased, better informed citizen participation in political and economic decision making is critical in Uzbekistan where democratic reform is challenged by the government's centralized structure and its lack of political will to reform. During the past year, a tense atmosphere in the country has prevailed since the February 1999 bombings in the capital. The aftermath of the explosions, apparently targeted at the president, witnessed numerous groundless arrests and torture of suspects. As a consequence of these events, non-state media and any form of political opposition face increased obstructions from the government, augmenting the already apparent self-censorship in the country. Given these restrictions, USAID is devoting much of its democracy assistance to strengthening civil society, i.e. to longer-term training, civic rights education, and encouragement of local level community development led by non-governmental organizations (NGOs). USAID continues to promote the availability of information by assisting local non-state television and radio broadcasters to improve the professionalism and viability of

independent media. This support helps to disseminate better quality information on domestic politics and economic policies. USAID is focussing on the local level to increase the accountability and responsiveness of government through a makhalla initiative, social partnerships, and judicial reform. Due to the government's demonstrated lack of commitment to electoral reform, USAID ceased all election-related assistance in early 1999. USAID's efforts will help bring about a more stable and more democratic society in which citizens promote their interests to a responsive government that is held accountable by NGOs and the media.

Key Results:

USAID/CAR's emphasis on building social partnerships and NGO-government dialogue has been paying off at the local level with growing government acceptance of citizen and NGO participation in decision making. The social partnership model, particularly outside of the larger cities, has proven effective in building mechanisms for community development. In the city of Bukhoro, for example, a local NGO worked with local neighborhood committees to establish an artisan training program for unemployed women in the poorest parts of the city. While the media struggle for press freedoms, non-state TV stations continue to increase their daily local news. Services of the USAID-funded Internews' lawyer are in high demand by independent broadcasters. Legal services were recently provided to a TV station in Urgench that sued the government over a frequency license issue. With a courtroom full of supporting viewers, the Urgench station lost the case, but intends to appeal the decision. Although USAID's women's legal rights initiative began only a few months ago, over fifty trainers were trained to carry out legal literacy workshops and a core group of representatives from leading women organizations around the country have formed an expert group. USAID views this small group as a nascent opportunity for a women's NGO consortium in Uzbekistan.

Performance and Prospects:

Overall progress in 1999 did not meet expectations. This is particularly true for reform at the national governmental level. USAID assistance was not provided to support or monitor recent presidential and parliamentary elections in Uzbekistan. Nevertheless, USAID persists in promoting democratic culture and civil society through the development of NGOs, especially in areas outside of the capital. Progress in this area is expected to continue.

As a result of USAID-funded training, many NGOs continue to become stronger and more assertive local advocates. NGOs are successfully broadening their constituencies to include relationships with a range of societal actors and community stakeholders. USAID's promotion of partnerships between NGOs and local community councils (makhallas) has helped Uzbekistan's civic organizations become more involved in traditional communities and better at negotiating with government. For example, the Farmer's Center, an NGO from Karakalpakstan, has used its relations with local communities and local government to gather a constituency to lobby for the proper enforcement of local tax laws.

A new law on Non-Commercial, Non-Governmental Organizations was also passed by the Uzbekistani parliament and signed by the President this last year. This law improves the legal framework within which charitable and non-governmental organizations operate in Uzbekistan and paves the way for further legal reforms. The full affects of the law have not been realized

since implementation is still lagging. USAID assistance over the next year will concentrate on implementation.

With USAID assistance, 26 non-state television stations are becoming better reporters of the news. Many of these independent stations show a growing willingness to report on local public policy issues despite constraints on open reporting. Investigative reporting has resulted in increased accountability of local officials. Some of these non-state TV stations, however, have recently been subjected to increased governmental pressure. The GOU ordered two stations to shut down their operations. With USAID support, the stations are appealing this decision.

Given limits on the power of the non-state media in Uzbekistan, USAID has also begun looking to other means of information dissemination. More than a hundred children participated in a civic education summer camp, stimulating interest in democracy and volunteerism. In Karakalpakistan, the Ministry of Education, with USAID's assistance, is developing a civic education curriculum. In addition, new programs targeting a broader population have recently begun concentrating on civic rights awareness as it relates to the environment and women. Continued education and training is also being provided to judges and lawyers throughout the country.

Possible Adjustments to Plans:

The new strategic plan will focus on opportunities to work at the local level encouraging civil society participation in community development with traditional community leaders. Furthermore, as discussed in the new strategy, USAID will emphasize the promotion of democratic ideals among the younger generation and women through civic education and women's legal rights awareness programs. In the new strategy, USAID intends to refocus its efforts on supporting journalists associations and discussions of their legal rights to help defend journalists from increasing government harassment. Assistance to the Uzbekistan parliament is expected to decrease given the parliament's lack of progress toward and commitment to becoming an independent body. In line with the regional initiatives set out in the new strategy, while programming in Nukus and Bukhoro will continue, we will be placing increased emphasis on the Ferghana Valley.

Other Donor Programs:

The United States is a major donor working in democracy. Programs supported by various U.S. Government agencies are closely coordinated with those of USAID. The Konrad Adenauer Foundation, the Soros Foundation, OSCE/ODIHR, and the UN Development Program (UNDP) also provide assistance. In addition, UNHCR is co-funding NGO resource centers in conjunction with USAID-financed Counterpart Consortium.

Major Contractors and Grantees:

Several USAID-funded U.S. PVOs such as the American Bar Association/CEELI, Internews, and the International Foundation for Electoral Systems (IFES), are playing a role in promoting democracy in Uzbekistan. In addition, Counterpart International and the International Center for Non-for-Profit Law, which together form the Counterpart Consortium, and Winrock International promote local NGO development in Uzbekistan. Eurasia Foundation has made small subgrants to support independent media and journalism courses in two universities. The

Initiative for Social Action and Renewal in Eurasia (ISAR) also assists in the development of local environmental NGOs, and the Academy for Educational Development (AED) coordinates participant training.

Performance Data Table

Objective Name: Increased, better-informed citizens' participation in political and economic decision-making	
Objective ID: 122-021-01	
Approved: 10/1/97	Country/Organization: Uzbekistan, USAID/CAR
Result Name: IR 2.1.1: NGO participation in civil society strengthened.	
Indicator: IR 2.1.1C: NGO advocacy: Increase in number of indigenous NGOs that seek to influence the government or get government support or attention for their activities (advocacy).	
Unit of Measure: Number of NGOs	<p>analyze the results of the NGO contacts with the government.</p> <p>We will no longer report against this indicator. The new strategy will measure the effectiveness of NGOs' contact with government officials and NGO sustainability. Therefore, the next R4 will include the NGO Sustainability Index as a performance data table measuring IR 2.1.1 "Stronger and More Sustainable Civic Organizations."</p>
Source: Counterpart Consortium data base	
Indicator/Description: Number of NGOs that contacted the media or government officials as reported in grant/contract monitoring documents in response to the following questions: "Did you have any contacts with government officials regarding your NGO's work or issues during the past year?"	
Comments: The 1997 decrease in government contacts reflected the NGOs' realization that contacts with the media are more effective than contacts with the government. The significant increase in 1998 reflected a shift in USAID/CAR's civil society strategy for Uzbekistan. In observing more political will at the local level for government to work with NGOs, USAID/CAR encouraged local advocacy and social partnerships in lieu of advocacy with the central government. As the results for indicator SO 2.1D reflect, this change in strategy is also receiving adequate responsiveness from government. In 1996 simply having the opportunity to talk with government officials was a huge challenge for NGOs. Now, government officials appear to be more open to NGO viewpoints and contributions. It is now more appropriate to	

Year	Planned	Actual
1996	10	52
1997	15	1
1998	10	60

1999	70	236
2000	NA	NA
2001	NA	NA

Performance Data Table

Objective Name: Increased, better-informed citizens' participation in political and economic decision-making	
Objective ID: 122-021-01	
Approved: 10/1/97	Country/Organization: USAID Uzbekistan
Result Name: LLR 2.1.2.1 Domestic news widely available via electronic media	
Indicator: LLR 2.1.2.1B: Average minutes of daily independent electronic media local TV news programming.	
Unit of Measure: Average daily number of minutes	
Source: Internews data base	
Indicator/Description: Average daily minutes of independent local news programming from sample of television and radio stations. Stations: Orbita (Angren), MTV (Andizhon), STV (Samarkand), Kashi-TV (Karshi), Bakhtior TV (Djizzak), Zarafshan (Zarafshan), Milokot (Kokand), Margilan-TV (Margilan), Bagdad-TV (Bagdad), Aloka-AK (Guliston).	
Comments: *The indicator for Uzbekistan is so low because when the data was collected many of the stations were still going through the re-registration process. While the stations were waiting for decisions from the licensing committee, they were not able to broadcast. The next Strategy Plan provides for a shift in IR 2.1.2 "Increased availability of information on civic rights and domestic public issues" from solely technical assistance to independent electronic media outlets to additional focus on civic education to targeted youth groups. Therefore, in the next R4, this indicator will not be reported on. Instead, it will include a performance data table for the following indicator measuring progress for availability of information: "Increased number of targeted citizens participating in civic education programs" and/or Media Sustainability Index provided that the latter is developed by E&E Bureau by the time of next R4 reporting.	

Year	Planned	Actual
1995	NA	3
1996	30	15
1997	5	5.9

1998	7	5*
1999	9	8
2000	10	NA
2001	12	NA

Performance Data Table

Objective Name: Increased, better-informed citizens' participation in political and economic decision-making	
Objective ID: 122-021-01	
Approved: 10/1/97	Country/Organization: USAID Uzbekistan
Result Name: IR 2.1.1: NGO participation in civil society strengthened.	
Indicator: IR 2.1.1B: Percent of NGOs that demonstrate their improved skills in advocacy, community organizing, government relations, and public outreach/education.	
Unit of Measure: Percent	
Source: Counterpart Consortium data base	
Indicator/Description: Increased media exposure by NGOs highlighting their role in a democratic society and their achievements in providing services to the community and advocating on their behalf; joint NGO/government seminars and public forums on the need for an effective legal structure to protect the rights of the NGO sector and public interest; growth of NGO coalitions and advocacy groups actively engaged in influencing public policy governing the NGO sector; increased number of community advisory councils; professional associations, and coalitions seeking to influence government policies and community services.	
<p>Comments:</p> <p>The large increase in 1998 reflects the maturation of many of the nascent NGOs in Uzbekistan into strong organizations with significant capacity. This is the logical result of the last several years of work as fewer new NGOs begin to emerge and the existing ones become stronger.</p> <p>The 2000 targets have been adjusted upward due to higher results than expected in FY99.</p> <p>We will no longer report against this indicator. The next R4 will include the NGO Sustainability Index as a performance data table measuring IR 2.1.1 "Stronger and More Sustainable Civic Organizations."</p>	

Year	Planned	Actual
1995	NA	NA
1996	NA	NA
1997	NA	1%

1998	5%	15% *
1999	20%	28%
2000	30% **	NA
2001	33%	NA

Performance Data Table

Objective Name: Increased, better-informed citizens' participation in political and economic decision-making	
Objective ID: 122-021-01	
Approved: 10/1/97	Country/Organization: Uzbekistan, USAID/CAR
Result Name: SO 2.1 Increased, better-informed citizens' participation in political and economic decision-making.	
Indicator: SO 2.1D: Government responsiveness: % of NGOs receiving positive responses (see Indicator Description) to their contacts with government bodies.	
Unit of Measure: Percent	measuring IR 2.1.1 "Stronger and More Sustainable Civic Organizations." The progress against SO 2.1 "Strengthened Democratic Political Culture" will be measured by percentage of targeted population exhibiting civic consciousness and activism.
Source: Counterpart Consortium data base	
Indicator/Description: Percent of sample of NGOs who report attempting to influence government that indicate that officials contacted listened to their positions and appeared interested in understanding their viewpoint, whether or not policy was changed as a result. This indicator is a proxy for acceptance by government of increased citizen/citizen group participation in decision-making.	
Comments: In 1997 only one NGO attempted to contact the government and that one NGO received a positive response, thus 100%. In 1998 targets were reduced because the democracy team had expected the percentage of positive responses to decline as an increasing number of NGOs attempted to contact the government. In 1999 the percentage of positive responses from the government declined because the number of contacts with the government dramatically increased from 60 to 236. Now it is more significant to analyze the results of these contacts. Thus, we will no longer report against this indicator. The new strategy focusses on the effectiveness of NGOs' contact with government officials and NGO sustainability. Therefore, the next R4 will include the NGO Sustainability Index as a performance data table	

Year	Planned	Actual
1997	NA	100%
1998	15%	66%
1999	70%	52%

2000	70%	NA
2001	75%	NA

Text for SO e

Country/Organization: Uzbekistan, USAID/CAR

Objective ID: 122-032-01

Objective Name: Improved sustainability of social services

Self Assessment: On Track

Self-Assessment Narrative: Health is an area in which USAID and the Government of Uzbekistan (GOU) share common policy goals. Establishment of a primary health care model in three rural districts of the strategically important Ferghana Oblast (region) has gotten off to an unexpectedly fast start in Uzbekistan, compared to the difficulties our programs experience in other sectors. This program benefits the rural poor by bringing basic health care to families. We are cautiously optimistic that this model will be replicated in other regions.

Primary Link to Strategic Agency Framework: 4.2 Infant/Child Health/Nutrition

Secondary Link to Strategic Agency Framework:

☒ 4.1 Unintended Pregnancies Reduced

☒ 4.3 Child Birth Mortality Reduced

☒ 4.5 Infectious Diseases Reduced

Link to U.S. National Interests: Global Issues: Environment, Population, Health

Primary Link to MPP Goals: Health

Secondary Link to MPP Goals (optional): Population

Summary of the SO:

In Uzbekistan, as in most parts of the former Soviet Union, the government invests far greater resources in curative health care than in primary health care (PHC). While Kyrgyzstan and Kazakhstan moved relatively quickly to begin reform of the health sector, progress here had been slow. Although the Government of Uzbekistan (GOU) tends to be conservative in regard to reforms in general, there is now movement in the health arena. A particular strength of the GOU is that it invests more resources in the health and social sectors than any other Central Asian republic.

At the government's request, USAID introduced a primary health care model adapted from successful projects in Kazakhstan and Kyrgyzstan to the strategically important Ferghana Oblast (region). The Ferghana Oblast is a densely populated, low income rural area with high levels of anemia among women and children (over 60%) and, like the rest of the country, high levels of

diarrhea and acute respiratory infection among children, high levels of hepatitis, and poor water quality.

Since the onset of this project, 45 primary health care practices (PHCP) have been formed. At the heart of each practice are family doctors, who know the people in the community and their problems, and who have updated skills to help families with their health concerns. Since the Soviet medical system did not produce family doctors, specialists are being retrained to meet the broader needs of families at the community level. Trained administrators were also lacking, so managers were employed and taught to administer the practices and use information systems.

Development of appropriate financial systems is another accomplishment. For example, instead of being paid according to the number of people working in the practice, payment is now based on the number of people enrolled in the practice to receive a basic package of services. Previously, administrators were told exactly how much to spend on salaries, drugs, utilities and so forth but now practices are responsible for making decisions about how best to allocate funds for provision of care to their enrolled families.

Key Results:

Basic primary health care services are available to families in the pilot sites in Ferghana Oblast, where numbers of primary health care practices grew from 13 in 1998 to 45 in 1999. All family doctors and some nurses have completed short courses to update and expand their knowledge and skills. All of the practices are paid directly by the Oblast Health Department according to the number of people they serve. All employ managers trained in the new budget and financial management reporting systems.

Performance and Prospects:

Performance in developing rural primary health care practices in the Ferghana Oblast is on track. Practices have been established and initial training has been completed. In-country and U.S. training have been provided to counterparts. Training is continuously being developed and implemented for policymakers, local counterparts, and family doctors, nurses and administrators. All the doctors and some of the nurses have completed a set of six short-course clinical training seminars addressing the main causes of illness and death in the Ferghana Oblast. Although quite basic, this training has been important in helping family doctors to begin expanding the quality and range of their services. Scope of services increased from 14% in 1998 to 28% in 1999. Thirteen PHCPs also received limited facility renovation and equipment. In the next year, training will be extended to cover care in such areas as parasite infestation, management of childhood illnesses and particularly, emergency services, as the GOU is emphasizing improvement in the emergency care system.

USAID is supporting indigenous non-governmental organizations to increase community awareness and participation in health services. Ten NGOs, linked with primary health care practices in the Ferghana Oblast, received small grants to educate and improve the health of their communities. The focus of the grants, identified by a community assessment, included topics such as reproductive health, nutrition and childhood infectious diseases. In addition, seven local councils (Mahallas) collaborated with PHCPs to start a clean water supply initiative. Efforts to

involve communities in working on the health issues important to them will continue in the next year with an emphasis on women's groups learning disease prevention skills.

The legal basis has been created for the implementation of financial reforms appropriate to primary health care practices, including their reclassification as legal entities eligible to receive financing directly from the Oblast Health Department. Incentive-based payment systems have been designed and are being implemented in all 45 primary health care practices. The health care system is showing early, positive results in increased efficiency and accountability. A next step will be to implement open enrollment campaigns to allow people to change doctors annually if they are dissatisfied. Since practices are paid based on the numbers of people enrolled, being able to choose one's family doctor adds competition into the system.

A World Bank loan, for approximately \$30 million, has been approved. It will be used to reform the health care infrastructure in three oblasts: Ferghana, Syr Darya and Navoi. The primary health care model and financing systems introduced by USAID will be extended to these regions under the loan, with the existing Ferghana program used as a training site. A Memorandum of Understanding between the GOU and the Government of the United States to promote and support this project has been signed. In late 1998, the President issued a Decree that provided the legal basis for implementation of the Health Care Reform Project until the year 2005, making this project a priority for future years. The planned collaboration with the World Bank in its model oblasts, however, has been delayed due to the slow rate of loan disbursements.

Prospects for expansion are good in Uzbekistan. Along with the World Bank loan and the Governmental Decree, the government has taken the initiative to create or improve primary health care facilities in rural areas throughout the country. Funds are being made available from the governmental budget for this purpose. USAID/CAR's work in Uzbekistan in the coming years will emphasize our new strategy: Increased Access to Quality Primary Health Care in Select Populations.

Possible Adjustments to Plans:

A continued constraint to development is the GOU control on foreign exchange, which limits currency convertibility. In the health sector, one consequence is limited drug availability, with primary health care practices having even less access to low cost drugs than hospitals. If this problem persists, families will tend to use hospital-based services unnecessarily. USAID will continue to raise this issue with the GOU.

Other Donor Programs:

USAID hosts a bi-monthly roundtable to coordinate donor efforts. One of our closest working partners is the World Bank, which provides the material resources to expand the model of PHC developed by the GOU and USAID. The Know-How Fund trains current physicians to become trainers of family doctors. EU/TACIS is implementing a preventive health program in Ferghana and Navoi that includes training, establishment of policies and reorganization of the public health system at local and national levels. WHO is working in the Aral Sea region in projects that include improving treatment of childhood infectious illnesses. UNICEF is implementing programs to control anemia and iodine deficiency throughout Uzbekistan.

Major Contractors and Grantees:

Abt Associates is the principal contractor implementing this activity. The Academy for Educational Development (AED) coordinates participant training.

Performance Data Table

Objective Name: Improved sustainability of social services.			
Objective ID: 122-032-01			
Approved: 1998		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 3.2.1 Cost-effective health care services demonstrated in selected oblasts.			
Indicator: Increased # of independent primary health care practices.			
Unit of Measure: # of primary health care practices (PHCP)	Year	Planned	Actual
	1998 PHCPs	0	13
Source: Project data base	1999 PHCPs	20	45
Indicator/Description: Increase in the number of independent primary health care practices (PHCP) actually staffed and providing services.	2000 PHCPs	60	NA
	2001 PHCPs		
	2002 PHCPs		
Comments: The indicator is reported for the pilot site, Ferghana Oblast.			
*The target number of PHCPs in Ferghana Oblast for FY2000 is tentative and assumes that expansion will occur within the Ferghana Oblast and not in the World Bank pilot sites, Navoi and Syr Darya. The area for expansion will be chosen at a later date, in consultation with the new contractor, the GOU, and the World Bank.			
This is the last year to report on this indicator. Next year's indicators will change to reflect the new integrated health strategy : Increased Access to Quality Primary Health Care in Select Populations.			

Performance Data Table

Objective Name: Improved sustainability of social services			
Objective ID: 122-032-01			
Approved: 1997		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 3.2.3 Cost-effective health sector reforms adopted nationally			
Indicator: Increased percent of health care providers reimbursed by market-oriented payment systems.			
Unit of Measure: Percent of hospitals and outpatient care providers reimbursed by market-oriented payment systems.	Year	Planned	Actual
	1999	5%	32% (23/71)
	2000	Original-25%	NA
		Revised-40%*	
	2001	50%	NA
	2002	60%	NA
Source: Project data base			
Indicator/Description: Increased percentage of hospitals and outpatient care providers reimbursed by market-oriented payment systems.			
Comments: This program and a new financing system started in 1998.			
<p>* The original target for 2000 set in last year's R4 was revised due to higher than projected results at the end of 1999.</p> <p>This is the last year to report on this indicator. Next year's indicators will change to reflect the new integrated strategy: Increased Access to Quality Primary Health Care in Select Populations.</p>			

Performance Data Table

Objective Name: Improved sustainability of social services.			
Objective ID: 122-032-01			
Approved: 1998		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: IR 3.2.3 National legal, regulatory and policy framework for health sector embodies reforms.			
Indicator: Laws and policies adopted on key reforms nationally			
Unit of Measure: Overall reform environment in relation to the following key reforms at the national level. (Also see Indicator/Description.) 1) Primary health care practices (PHCP) decree issued 2) Health sector NGOs formed 3) PHCP enrollment system in place 4) Provider payment systems and health insurance decrees established 5) Provider management information systems in place 6) Clinical protocols introduced	Year	Planned	Actual
	1999	3	3
	2000	3	NA
	2001	4	NA
	2002	4	NA
Source: OST/GOU data bases			
Indicator/Description: The six health sector reforms listed above were identified as those most necessary to achieve at the national level. This IR is scored using a rating system applied to the key reforms listed above. The rating system is a 1-5 scale, with 1 defined as "no progress in a health reform area" and 5 as "sustainable reform at the national level". Scoring represents a qualitative judgement of the overall reform environment.			
Comments: This was a new program started in 1998 that will not have national level results until 2000.			

Text for SO f

Country/Organization: Uzbekistan, USAID/CAR

Objective ID: 122-041-01

Objective Name: Special Initiatives: Preventive care services made available

Self Assessment: On Track

Self-Assessment Narrative: Reproductive health initiatives were on track as the general abortion rate in Uzbekistan continued to decline. Infectious disease efforts had successes in the initiation of hepatitis B vaccination for newborns and start-up of the National Infectious Disease Reference Laboratory. On the other hand, implementation of tuberculosis treatment strategies using the World Health Organization (WHO) Directly Observed Treatment Short-course (DOTS) approach was delayed. Necessary steps for treating TB patients according to the DOTS protocol are now in place for a June 2000 start date. Health partnership activities also had mixed results. Women's health activities expanded with the introduction of a second Women's Wellness Center. However, a partner has yet to be selected for a project to develop emergency care systems and integrate these into rural primary health care practices.

Primary Link to Strategic Agency Framework: 4.1 Unintended pregnancies reduced.
(Please select only one)

Secondary Link to Strategic Agency Framework:
(select as many as you require)

- | | |
|---|--|
| <input type="checkbox"/> 1.1 Private Markets | <input type="checkbox"/> 1.2 Ag Development/Food Security |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor | <input type="checkbox"/> 2.1 Rule of Law/Human Rights |
| <input type="checkbox"/> 2.2 Credible Political Processes | <input type="checkbox"/> 2.3 Politically Active Civil Society |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition | <input checked="" type="checkbox"/> 4.3 Child Birth Mortality Reduced |
| <input type="checkbox"/> 4.4 HIV/AIDS | <input checked="" type="checkbox"/> 4.5 Infectious Diseases Reduced |
| <input type="checkbox"/> 5.1 Global Climate Change | <input type="checkbox"/> 5.2 Biological Diversity |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy |
| <input type="checkbox"/> 5.5 Natural Resource Management | <input type="checkbox"/> 6.1 Impact of Crises Reduced |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input checked="" type="checkbox"/> 7.2 Program Effectiveness Improved |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: Global Issues: Environment, Population, Health

Primary Link to MPP Goals: Health

Secondary Link to MPP Goals (optional): Population

Summary of the SO: Congressionally-mandated directives are addressing key health problems: lack of access to contraceptives in the private sector and insufficient reproductive health information for women generally, inadequate diagnosis and treatment of infectious diseases, and lack of practitioners trained in modern clinical techniques for emergency and gynecological care. Through USAID assistance, the private sector has increased availability of modern hormonal methods of birth control. The viability of private pharmacies is threatened, however, by the lack of a convertible currency. Thus far, however, the abortion rate continues to decline. USAID has improved disease surveillance for various infectious diseases, with recent efforts focusing on hepatitis and tuberculosis (TB). The health partnerships increased capacity through transfers of hospital-based technology from U.S. to local health institutions. In 1999, partnership activities focused on women's health care and emergency services. Under these special initiatives, primary beneficiaries were the citizens of Uzbekistan in sites reached by reproductive health initiatives and newborns vulnerable to hepatitis B infection.

Key Results: The General Abortion Rate has continued to decline over the past 5 years from 20 per 1000 in 1995 to 9.92 in 1999. USAID initiatives to increase access to reproductive health information and modern contraceptive methods played a role in this abortion decline.

In 1999, 25% of newborns were immunized against hepatitis B, compared with none in 1998. The Government of Uzbekistan (GOU) began to change its policy on vaccination of newborns as a result of technical consultations and dialogue with USAID.

A National Infectious Disease Reference Laboratory has been established with the assistance of the Swiss Government, and staff trained and quality standards developed for diagnosing hepatitis B. Results were achieved through USAID technical assistance, and collaboration with the GOU and other donors for equipment and renovations.

Performance and Prospects: Overall progress in achieving these special initiatives in 1999 was on track in reproductive health, with mixed results in infectious disease and partnership programs. One focus in reproductive health is a project in two cities to educate women and adolescents and refer them for reproductive health services and products available in the community. This includes providing educational seminars, materials and community theater events on topics such as family planning, sexual transmitted infections (STIs) and sex education. This program is being implemented in collaboration with local health NGOs that have received training in reproductive health issues. However, women's access to modern contraceptive methods continues to be limited by low supply and quality. The GOU policy that restricts currency convertibility results in limited importation of contraceptive methods and increased costs. USAID will continue to raise this issue with the GOU and advocate solutions.

Although assistance to strengthen hepatitis and TB programs is new, the country has already made important strides in increasing quality assurance standards in laboratories. Leading health professionals have been trained in smear microscopy and antibiotic resistance testing for TB, as well as quality control standards for hepatitis diagnosis. Implementation of the DOTS approach

for TB treatment was delayed, but necessary steps are in place to begin treating patients according to DOTS beginning in June 2000. Restrictions on currency convertibility could also reduce availability of drugs for TB treatment, hampering program development.

Health partnership activities fostered improvements in nursing education, women's health care and emergency services. For example, the Women's Wellness Center outside of Tashkent was replicated in downtown Tashkent. The program has leveraged extensive support from the Ministry of Health, resulting in a building, staff and limited equipment for the center. Services are provided on a fee basis.

A new partnership focusing on emergency systems and rural primary health care emergency services has been slowed by delays in selecting a US partner. The goal of the partnership is to assist the Republican Center for Provision of Urgent Medical Care and its regional affiliate in the Ferghana Oblast in the development of a model regional urgent care services program that can be eventually replicated nationwide. The partnership will build upon the existing Emergency Medical Services Training Center for first responders. It potentially reinforces the new USAID/CAR strategy of integrating basic services within primary health care at the community level. However, USAID is concerned that this stress on emergency services by the GOU may produce yet another vertical program, reducing resources for primary health care. USAID will raise these concerns and discuss alternatives to vertical structures at every opportunity.

Possible Adjustments to Plans: If foreign exchange controls are lifted and currency is freely convertible, there will be expansion in the reproductive health social marketing program.

Other Donor Programs: USAID hosts a bi-monthly roundtable to coordinate donor efforts. In reproductive health, GTZ/EPOS is focusing on sex education among men and adolescents in the regions of Namangan and Tashkent. UNFPA provides some contraceptives to the public sector as well as educational materials. The Swiss Government has collaborated with USAID by providing laboratory equipment for the infectious disease reference laboratory, while USAID provides training for the laboratory staff. Medecins Sans Frontieres (MSF), which is working with WHO in the Karakalpakstan region to introduce DOTS TB treatment approach, as well promote initiatives in acute respiratory infection (ARI) and childhood diarrheal diseases (CDD), participates actively in the USAID-sponsored donor roundtables. WHO is involved in other infectious disease projects including provision of DOTS training for three pilot programs in Syr Darya, Samarkand and Ferghana Oblasts and USAID has therefore chosen these as future pilot sites as well. UNICEF is also working on ARI and CDD programs; our clinical training programs are coordinated.

Major Contractors and Grantees: A consortium of contractors led by Deloitte and Touche works on reproductive health. The Centers for Disease Control and Prevention (CDC) provide training on laboratory diagnosis, sentinel surveillance and quality control. Project HOPE conducts training for TB specialists and family doctors. Abt Associates finalizes guidelines for TB laboratories and develops and publishes educational materials for medical professionals and the public.

Performance Data Table

Objective Name: Special Initiatives: Infectious Disease			
Objective ID: 122-041-01			
Approved: 1998-01-01		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: N/A - Congressionally mandated earmark			
Indicator: Increased number of oblasts following DOTS procedure effectively			
Unit of Measure: Number of Oblasts	Year	Planned	Actual
Source: Centers for Disease Control and Prevention (CDC) in Central Asia and Project HOPE	1999	1	0*
	2000	Original-3 Revised-0**	NA**
Indicator/Description: : The Directly Observed Treatment Short-course (DOTS) procedure for treatment of tuberculosis patients has been approved by the World Health Organization as the most cost effective treatment. DOTS is considered effective in countries which started DOTS implementation recently if at least 75% of smear positive cases convert to smear negative after DOTS therapy.	2001	2	N/A
	2002	3	N/A
Comments: * Implementation of DOTS was delayed so there are no results for 1999. The DOTS program will be implemented in June 2000.			
** Objective comprehensive measurement of the results of DOTS implementation is only available 12-15 months after the beginning of DOTS. Therefore, the results of therapy for TB patients starting treatment in June 2000 will not be available till June 2001 at the earliest.			

Performance Data Table

Objective Name: Earmark-Reproductive Health			
Objective ID: 122-041-001			
Approved: 1998-10-01		Country/Organization: Uzbekistan, USAID/CAR	
Result Name: N/A-Congressionally mandated earmark			
Indicator: Reduction in General Abortion Rate (GAR)			
Unit of Measure: Rate	Year	Planned	Actual
Source: Ministry of Health (MOH) and Demographic and Health Survey (DHS)/96 Uzbekistan	1995	See Comment Note	20.0*
Indicator/Description: Induced abortions per 1000 women aged 15-49.	1996	See Comment Note	16.0* 20.0**
* MOH data is annual calendar year data for women aged 15-49.	1997	10.4	12.5*
	1998	10.0	11.0*
	1999	9.5	9.92*
	2000	9	NA
** DHS data is reported for the three-year period prior to the survey, for women aged 15-49.	2001	8.5	NA
	2002	8	NA
Comments: The 1996 Uzbekistan Demographic and Health Survey (UDHS) shows a general abortion rate of 20. This is close to the rate reported by the MOH in 1996. The MOH data for 1999 indicate that contraceptive use is being substituted for abortion.			
Note: Targets for abortion rates were not set prior to 1997.			

Text for SO g

Training and exchanges

Training and exchanges remains a critical element for accomplishing the Mission's overall strategic goals, proves to be especially effective when linked to the larger technical assistance effort, and generates new ideas from participants on improving practices in their own countries. Training focused on areas in economic growth, democracy and civil society, health and energy. Our training activity provides important support for reform-minded Uzbeks and first-hand exposure to Western systems and methods. Training has proven to be especially effective in Uzbekistan where it offers important opportunities to strengthen ongoing technical assistance programs and allows Uzbek counterparts to directly observe situations and experiences of other countries.

In FY 99, almost 2,000 decision-makers, professionals and active citizens of Uzbekistan have participated in training and exchanges programs, 600 (30%) of them were women. Eighty Seven percent were trained in country.

USAID sponsored an important intra-regional seminar on Women's Legal Rights in Central Asia was held in Tashkent. Eighty-six delegates from all five countries studied such critical issues as the promotion, expansion, and education of internationally recognized women's legal rights and awareness of trafficking in women.

USAID made special efforts to ensure that Uzbekistan is well represented at international conferences such as USAID Lessons in Transition in Warsaw and the White House-initiated Vital Voices. Five leading reformers were sent to Lessons in Transition Conference to hear about development experiences.